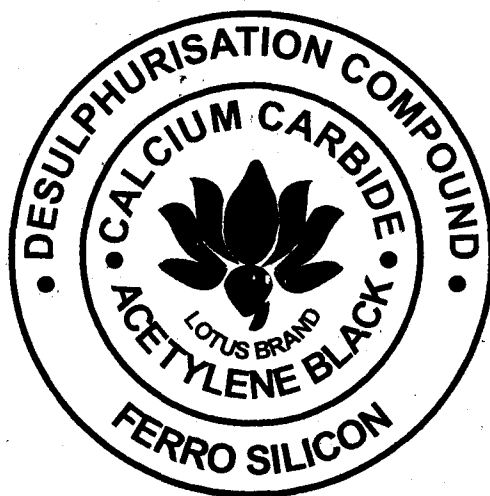


# **67<sup>TH</sup> ANNUAL REPORT**

## **31<sup>ST</sup> MARCH, 2012**



**TECIL CHEMICALS AND  
HYDRO POWER LIMITED**

**BOARD OF DIRECTORS**

**SHRI. SHRINIWAS B. SOMANI**  
CHAIRMAN & MANAGING DIRECTOR

**SHRI. G. R. BANG (Expired on 17.12.2011)**

**DR. R. S. SARDA**

**SHRI. P.C. JAIN**

**SHRI. GHANSHYAM K. JOSHI**

**BANKERS**  
AXIS BANK LTD.  
PUNJAB NATIONAL BANK  
STATE BANK OF INDIA

**STATUTORY AUDITORS**  
VMD AND COMPANY  
MUMBAI

**REGISTERED OFFICE & WORKS**  
P.O.CHINGAVANAM – 686 531  
DIST. KOTTAYAM (KERALA)

**ADMINISTRATIVE OFFICE**  
EMPIRE HOUSE, 3<sup>RD</sup> FLOOR,  
214, DR. D. N. ROAD, FORT,  
MUMBAI – 400 001.

**WEBSITE :** [www.tecilchemicals.com](http://www.tecilchemicals.com)

**E-MAIL :** [contact@tecilchemicals.com](mailto:contact@tecilchemicals.com)

**NOTICE**

Notice is hereby given that the **SIXTY-SEVENTH ANNUAL GENERAL MEETING** of the Company will be held on Thursday, the 27<sup>th</sup> September, 2012 at 11.00 A.M., at its Registered Office at Tecil Premises, PO. Chingavanam – 686 531, Dist-Kottayam, Kerala, to transact the following business:

**ORDINARY BUSINESS:**

1. To consider and adopt the Balance Sheet of the Company for the financial year ended 31<sup>st</sup> March, 2012, Statement of Profit & Loss Account and Cash Flow Statement for the year ended on that date and the Report of the Board of Directors and Auditors' thereon.
2. To appoint a Director in place of Shri G. K. Joshi, who retires by rotation and being eligible offer himself for re-appointment.
3. To appoint Auditors to hold office from conclusion of this Meeting until the conclusion of the Next Annual General Meeting and to fix their remuneration.

**NOTES:**

1. A Member entitled to attend and vote is entitled to appoint a proxy to attend and vote on a poll instead of himself and such proxy need not be a member of the company. Proxies in order to be effective must be received by the Company not later than 48 hours before the meeting.
2. Members are requested to notify immediately any change in their address.
3. The Register of Members & Share Transfer Book of the Company will remain closed from 20<sup>th</sup> September, 2012 to 27<sup>th</sup> September, 2012 (Both days inclusive).
4. Members desiring to submit mandates to lodge transfer deed for shares are requested to forward the same so as to reach the Company's Registrars M/s System Support Services at 209, Shivai Industrial Estate, Next to Parke Davis Ltd., Saki Naka, Mumbai – 400 072 on or before 20<sup>th</sup> September, 2012. The Company will not be in a position to act upon any document, which is incomplete or received after 20<sup>th</sup> September, 2012.
5. In accordance with the provisions of Clause 49 of the Listing Agreement with the Stock Exchanges, the particulars of a Director who is proposed to be re-appointed is given in the Corporate Governance Section.
6. Members are requested to quote their Registered Folio Nos. on all correspondence with the Company.
7. Members are requested to send their queries to the Company, if any on Accounts at least 10 days before the Meeting.
8. Corporate Members intending to send their authorised representatives to attend the Meeting are requested to send a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
9. Members/Proxies should bring the attendance slip duly filled in, for attending the Meeting. The Attendance slip is sent with this Annual Report.
10. Recently, the Ministry of Corporate Affairs (MCA), Government of India, through its Circular Nos. 17/2011 and 18/2011, dated April 21, 2011 and April 29, 2011 respectively, has allowed Companies to send documents to their shareholders electronically as part of its green initiatives in Corporate Governance.

Recognizing the spirit of the Circular issued by the MCA, we henceforth propose to send Documents like the Notice convening the General Meetings, Financial Statements, Directors' Report, Auditors' Report, etc at the email address provided by you with your depositories.

We request you to update your email address with your Depository Participant to ensure that the Annual Report and other documents reach you on your preferred email.

11. Members can avail of the Nomination facility by filing Form 2B with the Company or its Registrar. Blank forms will be supplied on request. In case of shares held in demat form, the Nomination Form has to be lodged with their DP.
12. Members are informed that in case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
13. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts(s). Members holding shares in physical form can submit their PAN details to System Support Services.

**BY ORDER OF THE BOARD,  
For TECIL CHEMICALS AND HYDRO POWER LTD.**

**PLACE: MUMBAI  
DATE: 22<sup>nd</sup> JUNE, 2012**

**Sd/-  
S. B. SOMANI  
CHAIRMAN & MANAGING DIRECTOR**

## **MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

### **FORWARD LOOKING STATEMENTS**

The report contains forward looking statements, which may be identified by their use of words like, 'Plans', 'expect', 'will', 'soon', or other words of similar expressions. Such statements are based on certain assumptions and expectations of future events. The Company cannot guarantee that these assumptions and expectations are accurate or will be realized. The Company undertakes no obligations to publicly update or revise forward looking statements, whether as a result of future events or otherwise. Actual results could differ materially from those expressed or implied. Readers are cautioned not to place undue reliance on these forward looking statements that speak only as of their dates.

### **THE PRESENT STATUS OF THE COMPANY**

During the year under Report the Company has entered into an Agreement for sale of plant & Machineries, equipments, scrap etc on as is where is basis which, due to wear and tear had lost their useful and productive life and had also become obsolete and outdated. The Company has also made payment to all the remaining workers in full and final settlement of their statutory dues, retrenchment compensation etc. as per settlement arrived at in presence of Labour Commissioner, Trivandrum. After protected negotiations, a settlement of KSEB dues towards arrears of electricity charges were also arrived at and payment of Rs. 10 Crores has also been made as against final settlement amount of Rs. 14.75 Crores. The Company approached Hon'ble Kerala High Court and Court directed KSEB to re-examine Company's request for waiver of minimum demand charges for the period when Company was closed and no power was consumed. The Kerala High Court, has also stayed payment of balance amount.

Since by and large the Company has discharged all its liabilities, your Directors are actively making efforts to commence new business activity / projects.

### **TO SELL SURPLUS LAND SITUATED AT CHINGAVANAM, DIST. KOTTAYAM IN THE STATE OF KERALA**

The Shareholders of the Company accorded their consent u/s 293(1)(a) of the Companies Act, 1956 on 15.03.2005 by passing a Resolution u/s 293(1)(a) and authorised Board of Directors of the Company to sell surplus land situated at Chingavanam, Dist. Kottayam, Kerala.

The Board of Directors of the Company has been negotiating with its prospective buyers to sell off surplus land situated at Chingavanam. The Directors are hopeful that substantial funds will be generated from sale of land and same can be deployed in new business activity.

### **OUTLOOK OPPORTUNITIES AND THREATS**

The Manufacturing Plants of the Company have been un-operational since 1999 and since then there has not been any activity at Chingavanam. The Management has been making efforts to commence new business activity by making use of exiting infrastructural and other resources available with the Company.

The Company is not having any debts on its Books. Thus there is a huge potential to enter into a new venture by utilizing the existing resources available with the Company. The Management expects that the Company will soon venture into a viable new business activity.

### **FINANCIAL PERFORMANCE**

	Amount Rs.(in Lacs)	
	<u>2011-12</u>	<u>2010-11</u>
Profit /(Loss) before Interest, Depreciation & Tax	(72.07)	(75.46)
Profit /(Loss) After Interest, Depreciation	(78.88)	(77.91)
Profit /(Loss) After Tax	(78.88)	(78.16)

### **HUMAN RESOURCES**

Material development in human resources/ industrial relations front has been dealt with in the Directors' Report, under the head 'Operations' and 'Industrial Relations', which should be treated as forming part of this Management Discussion and Analysis. as at 31<sup>st</sup> March, 2012.

### **CAUTIONARY STATEMENT**

Statements in this Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations or predictions may be 'forward-looking statements' within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. The Company undertakes no obligation to publicly update or revise any forward looking statements, whether as a result of new information, future events, or otherwise. Readers are cautioned not to place undue reliance on these forward looking statements that speak only as of their dates

**FOR AND ON BEHALF OF THE BOARD**  
For TECIL CHEMICALS AND HYDRO POWER LTD.

PLACE: MUMBAI  
DATE: 22<sup>nd</sup> JUNE, 2012

sd/-  
**S. B. SOMANI**  
CHAIRMAN & MANAGING DIRECTOR

**DIRECTORS' REPORT**

To  
The Members,

Your Directors hereby present the SIXTY-SEVENTH ANNUAL REPORT together with the audited accounts for the year ended 31<sup>st</sup> March, 2012.

**I. FINANCIAL RESULTS**

The results for the year ended 31<sup>st</sup> March, 2012 are summarized herein below:

<u>Year ended 31<sup>st</sup> March</u>	<u>2012</u>	<u>Rs. in Lakhs</u>	<u>2011</u>
Other Income	909.43		63.46
Profit/(Loss) before interest, depreciation & Tax	(72.07)		(75.46)
Less/Add: Interest	-		0.07
Depreciation	6.81		2.38
Tax / VAT Paid	-		0.34
(Loss) / Profit for the year before tax	(78.88)		(78.41)
Provision for Taxation	--		0.25
(Loss) / Profit after tax and adjustments	(78.88)		(78.16)
(Loss) b/f from previous year	(3593.71)		(3515.55)
(Loss) carried forward to Balance Sheet	(3672.59)		(3593.71)

**II. DIVIDEND**

Due to Loss incurred by the Company, the Board of Directors do not recommend dividend for the year.

**III. OPERATIONS**

During the year under Report the Company has entered into an Agreement for sale of plant & Machineries, equipments, scrap etc on as is where is basis which, due to wear and tear had lost their useful and productive life and had also become obsolete and outdated. The Company has also made payment to all the remaining workers in full and final settlement of their statutory dues, retrenchment compensation etc. as per settlement arrived at in presence of Labour Commissioner, Trivandrum. After protected negotiations, a settlement of KSEB dues towards arrears of electricity charges was also arrived at and payment of Rs. 10 Crores has also been made as against final settlement amount of Rs. 14.75 Crores. The Company approached Hon'ble Kerala High Court and Court directed KSEB to re-examine Company's request for waiver of minimum demand charges for the period when Company was closed and no power was consumed. The Kerala High Court, has also stayed payment of balance amount.

Since by and large the Company has discharged all its liabilities, your Directors are actively making efforts to commence new business activity / projects.

**IV. TO SELL SURPLUS LAND SITUATED AT CHINGAVANAM, DIST. KOTTAYAM IN THE STATE OF KERALA**

The Shareholders of the Company accorded their consent u/s 293(1)(a) of the Companies Act, 1956 on 15.03.2005 by passing a Resolution u/s 293(1)(a) and authorised Board of Directors of the Company to sell surplus land situated at Chingavanam, Dist. Kottayam, Kerala.

The Board of Directors of the Company has been negotiating with its prospective buyers to sell off surplus land situated at Chingavanam. The Directors are hopeful that substantial funds will be generated from sale of land and same can be deployed in new business activity.

**V. DEPOSITS**

The Company does not have any deposits as on 31.03.2012

**VI. INDUSTRIAL RELATIONS**

The Company is not carrying any manufacturing operations and full and final settlement of dues of workers working at Chingavanam has been made amicably.

**VII. PARTICULARS OF EMPLOYEES**

There was no employee drawing remuneration in excess of the limit prescribed and hence requirement of attaching a statement as required by section 217(2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules 1975 is not applicable to this report

**VIII. DIRECTORS**

Shri G. K. Joshi, Director of the Company who retires by rotation, but being eligible, have offered himself for re-appointment. Mr. G.R. Bang, Director of the Company expired on 17<sup>th</sup> December, 2011

**IX. AUDITORS**

M/s. VMD & Co., Chartered Accountants, Mumbai retire at the forthcoming Annual General Meeting and are eligible for reappointment. The Company has received confirmation that the appointment, if made, would be within the limits prescribed u/s. 224(1B) of the Companies Act, 1956.

**X. AUDITORS OBSERVATIONS ON ACCOUNTS**

The Auditors have not made any adverse comment/ observation in their Report.

**XI. DIRECTORS RESPONSIBILITY STATEMENT**

Pursuant to the requirements u/s.217 (2AA) of the Companies Act, 1956, the Board of Directors of the Company confirm:

- a. that in the preparation of the Annual Accounts for the Financial Year ended 31<sup>st</sup> March 2012, the applicable Accounting Standards have been followed and there has been no material departure except to the extent noted by the auditors in their report.
- b. that the selected accounting policies were applied consistently and the directors made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2012 and of the Profit of the Company for the year ended as on date.
- c. that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 or the safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.
- d. that the annual accounts have been prepared on a "going concern" basis, though the Company does not have any manufacturing activity during the year.

**XII. PARTICULARS REGARDING CONSERVATION OF ENERGY ETC.**

As required in terms of section 217(1) of the Companies Act, 1956 and the Companies (Disclosure of Particulars in the Report of Board of Directors) rules 1988, the Report on Conservation of Energy, Technology absorption and Foreign Exchange Earnings and outgo etc. is given in Annexure I forming part of this Report.

**XIII. CORPORATE GOVERNANCE**

Report on Corporate Governance and a Certificate from the Practicing Company Secretary regarding compliance of the conditions of Corporate Governance as stipulated under clause 49 of the listing agreement with the Stock Exchange is given as Annexure II forming part of this Report.

**XIV. GENERAL**

The Balance Sheet and Profit and Loss Account of the Company have been signed as per the provisions of section 215 (1) (ii) of the Companies Act, 1956. Your Directors place on record their sincere appreciation for the continued co-operation, guidance and support provided during the year under report by various institutions concerned as also the employees of the company for their sincere and dedicated service in pursuing the corporate objectives of the company.

FOR AND ON BEHALF OF THE BOARD

Place: Mumbai  
Date: 22<sup>nd</sup> JUNE, 2012

sd/-  
S. B. SOMANI  
CHAIRMAN & MANAGING DIRECTOR

**ANNEXURE I****THE COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES, 1988****A. CONSERVATION OF ENERGY:**

Ours is a power intensive process. Energy conservation programs were undertaken in the Company on a continuous basis, but due to lockout throughout the year, no measures in this regard have been undertaken.

Total energy consumption and energy consumption per unit of production are as per Form A hereunder.

	<u>Current</u>	<u>Previous</u>
	<u>Year</u>	<u>Year</u>
i) Power and Fuel Consumption:	NIL	(NIL)
ii) Consumption per Tonne of Production (Kwh)	NIL	(NIL)
iii) Technology Absorption: Due to LOCKOUT in the Company since last Ten years, the ongoing energy conservation programs had been stalled.		
iv) Foreign Exchange Earnings and Outgo: The total expenditure in foreign currency: (in Rs.'000)	818	629

## CORPORATE GOVERNANCE REPORT FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2012

### 1. Company's Philosophy on Code of Governance:

The Company's philosophy is to enhance Customer's satisfaction and Shareholders value by practicing the principles of good Corporate Governance.

### 2. Board of Directors:

The Board of the Company is well structured with adequate blend of Executive, Non-Executive and Independent Directors.

The Company's Board comprised of Four Directors: One is Executive Chairman Director and remaining three are independent Directors. More than half of the Board of Directors comprises of Independent Directors.

The composition of the Board is in conformity with the Clause 49 of the Listing Agreements entered into with the Stock Exchanges. All Independent Directors comply with the legal requirements of being "Independent".

- i. None of the Directors on the Board is a Member of more than 10 Committees or Chairman of more than 5 Committees across all the Companies in which he is a Director. Necessary Disclosures regarding Committee positions in other Public Companies as on March 31, 2012 have been made by the Directors.
- ii. The names and categories of the Directors on the Board, their attendance at Board Meetings held during the year and the number of directorships and Committee Chairmanships / Memberships held by them in other companies is given below. Other directorships do not include alternate directorships, directorships of Private Limited Companies, Section 25 Companies and of Companies incorporated outside India. Chairmanship / Membership of Board Committees include only Audit and Shareholders / Investors Grievance Committees.
- iii. During the financial year ended 31<sup>st</sup> March, 2012, 6 Meetings of the Board of Directors were held as on 29/04/2011, 04/07/2011, 16/08/2011, 17/10/2011, 21/12/2011, and 18/01/2012.

### Composition, Category, their Directorship and Committee Membership in other Companies

Name of Director	Category	No. of Board Meetings attended during 2011-12	Whether attended last AGM	No of Directorship in other Limited Companies	No of membership of audit committee and Share Holders & Investors Grievance Committee in other Companies	Chairmanship of audit committee and Share Holders & Investors Grievance Committee in other Companies
Mr. S. B. Somani	Chairman Cum Managing Director	5	No	1	Nil	Nil
Mr. P. C. Jain	Independent Director	3	No	Nil	Nil	Nil
Mr. R. S. Sarda	Independent Director	6	No	1	Nil	Nil
Mr. G. K. Joshi	Independent Director	5	No	3	1	5
Mr. G. R. Bang	Non-Executive Director (Expired on 17.12.2011)	Nil	YES	Nil	Nil	Nil

### Details of Directors being appointed and re-appointed :

Shri Ghanshyam K. Joshi who retires by rotation is proposed to be re-appointed as Director at the ensuing Annual General Meeting.

Name : Shri Ghanshyam K. Joshi  
 Designation : Director  
 Age : 68 years  
 Experience : Science graduate from Mumbai University and has 3 decades of experience in managing day to day operations of limited companies.  
 Other Directorship : M/s Chemo Pharma Laboratories Ltd.  
                               M/s Citric India Ltd.  
                               M/s. Coral Hub Limited

### 1. Board Committees :

The Board has constituted the following Committees of Directors:

#### (a) Audit Committee :

##### i. Terms of Reference

The role and terms of reference of Audit Committee covers areas mentioned under Clause 49 of the Listing Agreement and Section 292A of the Companies Act, 1956, besides other terms as may be referred by the Board of Directors.

ii. **Composition, name of Member and Chairman**

The Audit Committee was reconstituted by inducting Mr. R. S. Sarda as Member of the Audit Committee in place of Mr. G.R. Bang, Member of the Audit Committee who expired on 17<sup>th</sup> December, 2011. The reconstituted Audit Committee comprises of Mr. P.C. Jain (Chairman) and Mr. G. K. Joshi (Member) & R. S. Sarda (Member).

During the 2011-12 under review 4 Meetings of the Audit Committee were held, on 29.04.2011, 04.07.2011, 17.10.2011 and 18.01.2012. The attendance of members are as follows:

Name	Category	Meetings during 2011-12	
		Held	Attended
Shri P. C. Jain	Independent Director	4	3
Shri G. R. Bang	Non-Executive Director	4	0
Shri G. K. Joshi	Independent Director	4	4
Shri R. S. Sarda	Independent Director	4	1

ii. **THE BROAD POWERS OF THE AUDIT COMMITTEE INCLUDE:**

- To investigate any activity within its terms of reference.
- To seek information from any employee.
- To obtain outside legal or other professional advice.
- To secure attendance of outsiders with relevant expertise, if it considers necessary.

(b) **Share Transfer & Shareholders' / Investors' Grievance Committee :**

(i) **Terms of references:**

This Committee looks into Redressal of Shareholders and Investors Grievances with respect to transfer of shares, issue of duplicate certificates and other matters relating to Shareholder relationship.

The committee shall also review the processes and service standards adopted by the Registrar and Transfer Agent, the complaints received by the Company and their Resolution.

(ii) **Composition**

The Share Transfer & Shareholders' / Investors' Grievance Committee comprises following Members:

Shri. R. S. Sarda	Chairman
Shri. P. C. Jain	Member
Shri. G. K. Joshi	Member

The Share Transfer & Shareholders' / Investors' Grievance Committee met 4 times during the 2011-12 on 29.04.2011, 04.07.2011, 17.10.2011 and 18.01.2012. The attendance of the Members is as follows:

Name	Category	Meetings during 2011-12	
		Held	Attended
Shri R. S. Sarda	Independent Director	4	4
Shri P. C. Jain	Independent Director	4	3
Shri G. K. Joshi	Independent Director	4	4

**Details of Complaints :**

- No. of Shareholders' Complaints received during the year : 1
- No. of Complaints not resolved to the satisfaction of shareholders : 1
- No. of pending share transfers : NIL

(C) **Remuneration Committee :**

The Remuneration Committee was reconstituted on 21<sup>st</sup> December, 2011 by inducting Mr. R. S Sarda as Member of the Remuneration Committee in place of Mr. G.R. Bang who expired on 17<sup>th</sup> December, 2011. The reconstituted Remuneration Committee comprises of Mr. P. C. Jain, Chairman (Chairman) and Mr. G. K. Joshi (Member) & Mr. R. S. Sarda (Member)

No Meeting of Remuneration Committee was held during the financial year



**Details of Remuneration for the year ended March 31, 2012:**

The Company's Managing Director was paid Rs. 12,38,400/- towards remuneration during the year 2011-2012.

Presently the Company does not have a scheme for grant of stock options either to the working directors or employees.

No Remuneration (except sitting fees) was paid to any Non-Executive Directors during the year 2011-2012.

**Name and address of Compliance officer:**

Shri Ashok Somani, Compliance Officer  
Empire House, 3<sup>rd</sup> Floor,  
214, Dr. D. N. Road, Fort. Mumbai – 400 001.

**3. General Body Meetings:**

(a) Location and time where last three Annual General Meetings were held:

Financial Year	Date	Time	Location
2010-2011	29/09/2011	11.00 a.m.	Tecil Premises, PO. Chingavanam – 686 531, Dist-Kottayam, Kerala
2009-2010	29/09/2010	11.00 a.m.	Tecil Premises, PO. Chingavanam – 686 531, Dist-Kottayam, Kerala
2008-2009	29/09/2009	4.30 p.m.	Tecil Premises, PO. Chingavanam – 686 531, Dist-Kottayam, Kerala

(b) Whether Special Resolutions were put through postal ballot last year: No

(c) Are votes proposed to be conducted through postal ballot this year : No

**5. Other disclosures:****(a) Related Party Transactions**

The details of related party transactions are duly disclosed in the Notes to Account of the Company for the year ended 31<sup>st</sup> March, 2012.

**(b) Disclosure of Accounting Treatment**

In preparation of its Financial Statements the Company has followed the Accounting Standards laid down by the Institute of Chartered Accountants of India (ICAI)

**(c) Disclosures on Risk Management**

The Company has laid down procedures to inform Board Members about Risk assessment and minimization procedures and these procedures are periodically reviewed.

**(d) Code of Conduct**

The Board of Directors has adopted the Code of Ethics and Business Principles for the Non-executive Directors as also for the employees including Executive Director. The said Code has been communicated to all the Directors and the compliance of the same has been affirmed by them.

(e) Details of non-compliance by the Company, penalties, strictures imposed on the Company by Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last three years:--None

**6. CEO/CFO Certification**

A certificate from the Managing Director on the Financial Statements of the Company was placed before the Board, as required by Clause 49(V) of the Listing Agreement.

**7. Means of communication:****(a) Quarterly Results:**

The unaudited quarterly results are announced within Forty Five Days from the end of the quarter as stipulated under the listing agreement with the Bombay Stock Exchange Limited.

(b) Newspapers wherein normally published

: No

- |     |  |       |
|-----|--|-------|
| (c) | Any Website, wherein displayed   | : Yes |
| (d) | Whether Website also displays official news releases                       | : Yes |
| (e) | Whether presentations made to institutional investors or to the analysts   | : No  |
| (f) | Whether Management Discussion & Analysis Report is a part of Annual Report | : Yes |

**8. General Shareholder information:**

- (a) **AGM date, time and venue:** Annual General Meeting will be held on 27<sup>th</sup> September, 2012, Thursday at 11.00 a.m. at its Regd. Office at Chingavanam, Kottayam, Kerala
- (b) **Financial Year:** Financial Year is from 1<sup>st</sup> April to 31<sup>st</sup> March.  
**Tentative Schedule**  
**UTentative Schedule**  
 Unaudited Results for quarter ending June 30, 2012 : upto 14<sup>th</sup> August, 2012  
 Unaudited Results for quarter ending September 30, 2012 : upto 14<sup>th</sup> November, 2012  
 Unaudited Results for quarter ending December 31, 2012 : upto 14<sup>th</sup> February, 2013  
 Unaudited Results for year ending March 31, 2013 : upto 15<sup>th</sup> May, 2013  
 Audited Annual Accounts for year ending March 31, 2013 : September, 2013
- (c) **Book Closure period:** 20<sup>th</sup> day, September, 2012 to 27<sup>th</sup> day, September, 2012, both days inclusive.
- (d) **Dividend payment date:** Not Applicable
- (e) **Stock Exchanges where securities are listed.**

The Company's securities are listed at:

1. **Bombay Stock Exchange Limited (BSE)**  
Phiroze Jeejeebhoy Towers, Dalai Street, Mumbai - 400 001
2. **National Stock Exchange of India Limited (NSE)**  
"Exchange Plaza", Bandra Kurla Complex, Bandra (E), Mumbai - 400051.
3. **Cochin Stock Exchange Limited.**  
MES Dr. P. K. Abdul Gafoor Memorial Cultural Complex,  
36/1565, 4<sup>th</sup> Floor, Judges Avenue, Kaloor, Kochi- 682017.
4. **Madras Stock Exchange Limited**  
Exchange Building, P. B. No. 183, 11, Second Line Beach,  
Chennai - 600 001.
5. **Delhi Stock Exchange Limited**  
DSE House, 3/1 Asaf Ali Road, New Delhi - 110002

**(f) SUBSIDIARY COMPANIES**

The revised Clause 49 defines a "material non listed Indian subsidiary" as an unlisted subsidiary, incorporated in India, who's Turnover or Net Worth (Paid up Capital & Free Reserves) exceeds 20% of the Consolidated Turnover or Net Worth respectively, of the Listed Holding Company and its subsidiaries in the immediately preceding Accounting year.

Under this definition, the Company does not have any "material non listed Indian subsidiary" during the Year under review

**(g) STOCK MARKET DATA:**

Since the trading in shares has been suspended from trading in Stock Exchanges the Stock Market Data is not available. The Company however has already approached BSE Ltd. for Revocation of suspension in trading of shares.

- (h) **Stock Code: 506680**

- (i) Registrar and Transfer Agent:  
**M/s System Support Services**  
 209, Shivai Industrial Estate, Next to Parke Davis Ltd.  
 Saki Naka, Mumbai-400072 Tel. No 022 - 28500835  
 E-mail id : sysss72@yahoo.com

- (j) **Share transfer system with number of Shares Transferred:**  
 Share transfers in physical form are registered and returned within a period of 15-20 days from the date of receipt, in case documents are complete in all respects. The Share Transfer & Shareholders' / Investors' Grievance Committee meets periodically. The total number of shares transferred during the financial year under review were as below:

	No. of transfers	No. of Shares
Transfers	75	1954020
Other cases :	-	-
<b>Total:</b>	<b>75</b>	<b>1954020</b>

- (k) **Dematerialization of shares and liquidity:**  
 Outstanding GDRs/ Warrants, Convertible Bonds,  
 conversion date and its impact on equity.

Nil

- (l) (i) **Distribution of Shareholding as on 31<sup>st</sup> March, 2012:**

No. of Shares	No. of Shareholders	% of holding	No. of Shares held	% of Share held
Up to 500	20987	92.036	4725408	24.918
501-1000	1092	4.789	908755	4.792
1001-2000	421	1.846	641480	3.383
2001-3000	94	0.412	237520	1.252
3001-4000	36	0.158	127620	0.673
4001-5000	34	0.149	160130	0.844
5001-10000	56	0.246	426550	2.249
10001 & Above	83	0.364	11736237	61.888
<b>Total</b>	<b>22803</b>	<b>100</b>	<b>18963700</b>	<b>100</b>

- ii. **Shareholding pattern as at 31<sup>st</sup> March, 2012:**

	No. of Shares held	% to Total Shares
Promoter Group	6460567	34.07
Mutual Funds and UTI	382530	2.02
Banks, Fis & Insurance Companies	1435900	7.57
Central / State Governments	436270	2.30
Corporate Bodies	1129225	5.95
General Public	7976468	42.06
NRIs/ OCBs	1142740	6.03
<b>TOTAL</b>	<b>18963700</b>	<b>100</b>

- (m) **Plant Location:**

The Company's Manufacturing Plants are located at Chingavanam, Dist. Kottayam (Kerala).

- (n) **Address for Correspondence:**

The Company's Registered Office is situated at Chingavanam, Dist. Kottayam, Kerala Pin. 686 531.

Correspondence by the shareholders should be addressed either to Registered Office or Registrar Share Transfer Agents or its administrative Office at following address-

**Tecil Chemicals & Hydro Power Limited**  
Empire House, 3<sup>rd</sup> Floor, 214, Dr. D. N. Road,  
Fort, Mumbai 400 001

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#### **DECLARATION**

As provided under Clause 49 of the Listing Agreement with the Stock Exchanges, this is to confirm that all the Members of the Board have affirmed compliance with the Code of Conduct for the year ended 31<sup>st</sup> March, 2011.

**Place : Mumbai**  
**Date : 22<sup>nd</sup> JUNE, 2012**

**sd/-**  
**S. B. SOMANI**  
**CHAIRMAN & MANAGING DIRECTOR**

**CEO/ CFO CERTIFICATE**

I, S. B. Somani, CEO and Managing Director of Tecil Chemicals & Hydro Power Ltd. appointed in terms of the Companies Act, 1956 certify to the Board that:

1. I have reviewed the Balance Sheet and Statement of Profit & Loss account for the year ended 31<sup>st</sup> March, 2012 and all its schedules and notes to accounts, as well as the cash flow statement;
2. Based on my knowledge, information and belief, these statements do not contain any untrue statement of a material fact or omit to state a material fact that might be misleading with respect to the statements made;
3. Based on my knowledge, information and belief, the financial statements and other financial information included in this report present a true and fair view of the company's affairs for the period presented in this report and are in compliance with the existing accounting standards, applicable laws and regulations;
4. To the best of my knowledge, information and belief, no transactions entered into by the company during the year are fraudulent, illegal or violative of the Company's Code Of Conduct;
5. I am responsible for establishing and maintaining internal controls for financial reporting and have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting;
6. I have disclosed, based on their most recent evaluation, wherever applicable, to the Company's Auditors and the Audit Committee of the Company's Board of Directors all significant deficiencies in the design or operation of internal controls, if any, of which I am aware and the steps taken or proposed to be taken to rectify the deficiencies;

I have indicated to the Auditors and the Audit Committee:

- a) Significant changes in the Company's internal control over financial reporting during the year;
- b) All significant changes in accounting policies during the year, if any, and that the same have been disclosed in the notes to the financial statements;

Any fraud, whether or not material, that involves management or other employees who have a significant role in the Company's internal control system over financial reporting

Mumbai,  
22<sup>nd</sup> June, 2012

sd/-  
S. B. Somani  
CEO & Managing Director

**CERTIFICATE OF CORPORATE GOVERNANCE REPORT**

To The Members of Tecil Chemicals and Hydro Power Limited  
Empire House, 3<sup>rd</sup> Floor, 214 Dr. D. N. Road,  
Fort, Mumbai - 400 001

We have examined the compliance of conditions of Corporate Governance by **TECIL CHEMICALS AND HYDRO POWER LIMITED** for the year ended 31<sup>st</sup> March, 2012 as stipulated in Clause 49 of the Listing Agreement(s) of the said Company with the Stock Exchange(s).

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned listing Agreement(s), except the following :

- 1) CEO/CFO certificate has been only signed by Shri. S. B. Somani, the CEO and Managing Director of the Company and not by CFO, Hence Company has not complied with Clause 49 of the Listing Agreement.
- 2) The Company has not published Unaudited Quarterly Financial Results in the newspapers.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**FOR S. K. JAIN & COMPANY  
PRACTICING COMPANY SECRETARIES**

sd/-  
(S. K. JAIN)  
Partner  
C.P. NO. 3076

PLACE : MUMBAI  
DATED : 22<sup>ND</sup> JUNE, 2012

**AUDITORS REPORT**

To,

The Members of

**TECIL CHEMICALS AND HYDRO POWER LIMITED**

We have audited the attached Balance Sheet of **TECIL CHEMICALS AND HYDRO POWER LIMITED** as at 31<sup>st</sup> March 2012 and the Profit and Loss Account of the Company for the year ended on that date, annexed thereto. These Financial Statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these Financial Statements based on our audit.

1. We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statement presentation.

We believe that our audit provides a reasonable basis for our opinion.

2. As required by the Companies (Auditor's Report) Order 2003, issued by the Central Government of India, in terms of Sub-Section (4A) of Section 227 of the Companies Act, 1956 we enclose in the Annexure hereto the statement on the matters specified in paragraph 4 and 5 of the said order
3. Further to our comments in the Annexure referred to in Paragraph (2) above, attention is invited to the following observation.

The Company incurred a Net Loss of Rs. 78.88 Lakhs during the year-ended 31.03.2012 and as on that date, the Company's Current Assets is only Rs.6.48 Lakhs as against the current liabilities of Rs.21.17 Lakhs. The accumulated loss as on 31.03.2012 is Rs. 3672.59 Lakhs, after adjusting which, the reserves and surplus have become (-)1,57,087 Lakhs. It has also sold off the factory building, plant & machinery during the year. Based on the above facts along with the matters as set forth in Note No. 9, indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern.

We further report that;

- a. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit.
- b. In our opinion, proper books of account as required by law, have been kept by the Company so far as appears from our examination of these books.
- c. The Balance Sheet, Profit and Loss Account and Cash flow statement dealt with by this report are in agreement with the books of accounts;
- d. In our opinion, the Balance Sheet and Profit and Loss Account and Cash Flow Statement dealt with by this report, are prepared in compliance with the accounting standards referred to in sub section (3C) of section 211 of the Companies Act, 1956 to the extent applicable except as stated in Para 4 (f).
- e. On the basis of written representation received from the Directors and taken on record by the Board of Directors, and as per our observations in Note No. 2.17, we report that, none of the Directors is disqualified as on 31/3/2012 from being appointed as a Director in terms Section 274(1)(g) of Companies Act, 1956.
- f. Consequent to the notification of Revised Schedule VI under the Companies Act, 1956, the Financial Statements for the year ended 31.03.2012 are prepared as per revised Schedule VI. The adoption of Revised Schedule VI for previous years' figures does not impact recognition and measurement principles followed for preparation of financial statements.

Subject to the above observations and remarks, in our opinion and to the best of our information and according to the explanation given to us, the said Balance Sheet and the Profit and Loss Account read together with the significant accounting policies and other notes thereon give the information required by the Companies Act, 1956 in the manner so required and present a true and fair view in conformity with the generally accepted accounting principles in India:

- i) In so far as it relates to the Balance Sheet of the State of affairs of the Company as at 31<sup>st</sup> March, 2012 and:
- ii) In so far as it relates to the Profit & Loss Account of the Loss of the Company for the year ended on that date.
- iii) In the case of Cash Flow Statement, of the Cash Flows for the year ended on that date.

For VMD & CO.  
CHARTERED ACCOUNTANTS  
FRN: 125002W

sd/-

V. M. DESAI, Partner  
Membership No.F/9219

No.: A/01/06/12  
Date : 22/06/12  
Mumbai

**ANNEXURE REFERRED TO PARAGRAPH 2 OF OUR REPORT TO SHAREHOLDERS OF TECIL CHEMICALS AND HYDRO POWER LTD., CHINGAVANAM OF EVEN DATE ON THE ACCOUNTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2012**

1.
  - (a) The Company is maintaining proper records showing full particulars including quantitative details and situation of fixed assets.
  - (b) Fixed Assets were physically verified by the Management during the current year. In our opinion, the frequency of verification is reasonable having regard to the size of the Company and the nature of its Fixed Assets. The discrepancies noticed on such verification were not material and have been properly dealt with in the books of account.
  - (c) During the year, the company has disposed off the factory building.
2.
  - (a) During the year, the Inventories have been physically verified by the Management
  - (b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
  - (c) On the basis of our examination of the records of inventories, we are of the opinion that the Company is maintaining proper records of inventories. The discrepancies noticed on physical verification of inventories as compared to book records were not material and have been properly dealt with in the books of account.
3. The Company has taken unsecured loans from Companies, Firms and other parties listed in the register maintained u/s 301 of the Companies Act, 1956. The rate of interest and other terms and conditions of such loans are prima facie not prejudicial to the interests of the company in terms of sub section (1B) of section 370 of the Companies Act, 1956.
4. The Company has granted unsecured loans to Companies, firms or other parties listed in the register maintained u/s.301 of the Companies Act, 1956. The rate of interest is prima facie not prejudicial to the interests of the Company.
5. In case of over due amounts for more than Rupees One Lac reasonable steps has been taken by the Company for recovery / payment of the principal and Interest.
6. Due to lay off / lock out of the factory during the most part of the year and on account of only few transactions for the whole of the year, the company has not implemented adequate internal control procedure commensurate with the size of the company and the nature of its business for the purchase of stores, raw materials; including components, plant and machinery, equipments and other assets and for the sale of goods.

**TRANSACTION WITH PARTIES AS REFERRED U/S 301 OF COMPANIES ACT 1956**

7. There are no transactions of purchase / sale of goods and materials and services in value, aggregating during the year to Rs. 5,00,000/- or more in respect of each party made in pursuance of contracts or arrangements entered in the register maintained u/s.301 of the Companies Act, 1956.
8. Due to lay off/ lock out the Company has not determined the unserviceable or damaged stores during the year and accordingly no provision is made for the loss, if any, in the accounts during the year.
9. Due to Lay Off / Lock Out, the Company has not accepted any deposits from the public during the year.

10. Internal Audit was not carried out during the year due to lay off / lockout.
11. As informed, the Central Government has not prescribed maintenance of cost records u/s.209 (i)(d) of the Companies Act, 1956 for the products dealt by the Company.
12. The Company is generally regular in making the payment towards Provident Fund and ESIC.
13. The Company had submitted as application before the Board for Industrial & Financial Reconstruction for the revival U/s. 15(1) of Sick Industrial Companies (Special Provision Act) 1985 and Company is registered for consideration for revival under scheme. The Company has also received permission from the Hon'ble BIFR to sale its Power Projects and Surplus Land.
14. According to the information and explanations given to us, accumulated losses at the end of the year are more than 50% of the Net Worth and the Company has incurred a Cash Loss of Rs. 85.69 Lacs (Rs.79.27 Lacs)
15. The Company has maintained adequate records in case of advances given by ways of proper security.
16. The Company is not a chit fund / nidhi / mutual funds / society.
17. Based on our examination of records and information and explanations given to us, the company has not dealt / traded in shares, securities, debentures and other securities during the year.
18. On the basis of explanations and information given to us the Company has not given any guarantee for loans taken by others from Banks / Financial Institutions.
19. To the best of our knowledge and belief and according to the information and explanations given to us, the term loan availed by the company was prima facie applied for the purpose for which the loan was obtained.
20. According to the Cash Flow Statement and other statements examined by us and the information and explanation given to us on an over all basis, fund raised on short term basis prima-facie, has not been used during the year for long term investment and vice versa.
21. The Company has not made any preferential allotment of Shares to parties and Companies covered in the Register maintained U/s 301 of the Act.
22. The Company has not raised any money by public issues during the year.
23. According to the information and explanations given to us, no material fraud has been noticed or reported during the year.

For VMD & CO.  
CHARTERED ACCOUNTANTS  
FRN: 125002W

No.:A/01/06/12  
Date : 22.06.12  
Mumbai

Sd/-  
V. M. DESAI, Partner  
Membership No.F/9219



**BALANCE SHEET As At 31-03-2012**

Amount Rs. (000's)

Sl. No	PARTICULARS	NOTES	CURRENT YEAR	PREVIOUS YEAR
<b>I</b>	<b><u>EQUITY AND LIABILITIES</u></b>			
(1)	<b><u>SHARE HOLDERS FUNDS</u></b>			
	a) Share Capital	1	206,117	206,117
	b) Reserves and Surplus	2	(157,087)	(67,362)
	<b>TOTAL</b>		<b>49,030</b>	<b>138,755</b>
(2)	<b><u>NON-CURRENT LIABILITIES</u></b>			
	Unsecured Loans	3	3,140	-
	<b>TOTAL</b>		<b>3,140</b>	<b>-</b>
(3)	<b><u>CURRENT LIABILITIES</u></b>	4		
	Short-Term Borrowings		-	-
	Other Current Liabilities		20,353	115,222
	Short-Term Provisions		821	1,480
	<b>TOTAL</b>		<b>21,174</b>	<b>116,702</b>
	<b>GRAND TOTAL</b>		<b>73,344</b>	<b>255,457</b>
<b>II</b>	<b><u>ASSETS</u></b>			
(1)	<b><u>NON-CURRENT ASSETS</u></b>			
A.	<b><u>FIXED ASSETS</u></b>	5		
	a) Tangible Assets		47,319	174,761
	b) In-Tangible Assets		-	-
	d) Capital Work-in-Progress		1,052	20,949
	<b>TOTAL</b>		<b>48,371</b>	<b>195,710</b>
B.	<b><u>NON-CURRENT INVESTMENTS</u></b>	6		
	Investments		3,771	3,771
C.	<b><u>LONG TERM LOANS AND ADVANCES</u></b>	7	14,720	12,273
V	<b><u>CURRENT ASSETS</u></b>	8		
	a) Short Term Loan and Advances		6,065	9,387
	b) Inventories		-	11,535
	c) Cash and Cash equivalents		417	22,781
	<b>TOTAL</b>		<b>6,482</b>	<b>43,703</b>
	<b>GRAND TOTAL</b>		<b>73,344</b>	<b>255,457</b>
			-	-

This is the Balance sheet referred to in our reports of even date  
Notes referred to above form an integral part of the Balance sheet

for VMD &amp; CO,

Chartered Accountants (FRN: 125002W)

Sd/-

V.M. DESAI, Partner

Membership No. F/9219

No. A/01/0612

Mumbai, 22<sup>nd</sup> June, 2012

For and on behalf of the Board of Directors

Sd/-

S.B. SOMANI

Chairman and Managing Director

Sd/-

G.K. JOSHI, Director

Mumbai, 22<sup>nd</sup> June, 2012

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31-03-2012**

Amount Rs. (000's)

Sl. No	PARTICULARS	NOTES	CURRENT YEAR	PREVIOUS YEAR
	<b>CONTINUING OPERATIONS</b>			
	<b>INCOME</b>			
I	Revenue from Operations	-	-	-
II	Other Income	9	90,943	6,346
III	<b>TOTAL REVENUE (I) + (II)</b>		90,943	6,346
IV	<b>EXPENSES</b>			
1	Employee Benefit Expenses	10	36,661	6,869
2	Finance costs	11	-	7
3	Depreciation & amortization Exp 1,576		-	-
	<u>Less: Tra'fer to Revaluation towards addl depn 895</u>		681	238
4	Other Expenses	12	61,489	7,023
5	Provision for Income Tax for Earlier Years		-	25
	<b>TOTAL EXPENSES (IV)</b>		98,831	14,162
V	Profit before exceptional items & Tax (IV - V)		(7,888)	(7,816)
VI	<b>EXCEPTIONAL ITEMS</b>		-	-
VII	Profit before extraordinary items & Tax (V - VI)		(7,888)	(7,816)
VIII	<b>EXTRAORDINARY ITEMS</b>		-	-
IX	Profit before Tax (VII - VIII)		(7,888)	(7,816)
X	<b>EXTRAORDINARY ITEMS</b>			
1	Current Tax	-	-	-
2	Deferred Tax	-	-	-
Xi	Profit (Loss) from continuing operations (VII - VIII)		(7,888)	(7,816)
XII	Profit (Loss) from discontinuing operations		-	-
XIII	Tax expense of discontinuing operations		-	-
XIV	Profit (Loss) from discontinuing op's after tax (XII - XIII)		-	-
XV	Profit (Loss) for the period (XI + XIV)		(7,888)	(7,816)
XVI	<b>Earnings per equity share:</b>			
1	Basic		(4.15)	(4.12)
2	Diluted		(4.15)	(4.12)

See accompanying notes to the financial statements

Summary of significant accounting policiesSeperately Attached

This is the Profit and Loss Account referred to in our reports of even date  
 Notes referred to above form an integral part of the Profit & Loss Account

For and on behalf of the Board of Directors

for VMD &amp; CO,

Chartered Accountants (FRN: 125002W)

Sd/-

V.M. DESAI, Partner

Membership No. F/9219

No. A/01/0612

Mumbai, 22<sup>nd</sup> June, 2012

Sd/-

S.B. SOMANI

Chairman and Managing Director

Sd/-

G.K. JOSHI, Director

Mumbai, 22<sup>nd</sup> June, 2012

**ANNEXURE TO CLAUSE 32 OF THE LISTING AGREEMENT**  
**Cash Flow Statement for the year 31st March, 2012**

Particulars	31-March-2012 (Rs. in '000)	31-March-2011 (Rs. in '000)
<b>A CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit / (Loss) Before Extra Ordinary items	(7,888)	(7,816)
<u>Adjusted For :</u>		
Depreciation Provided	681	238
Interest Received	(688)	(665)
Dividend Received	-	(70)
Profit on Sale of Investments	-	(4,082)
Profit on Sale of Fixed Assets	(87,652)	(1,147)
Provisions written back	(2,603)	(357)
Interest Expenses	-	(90,262)
	7	(6,076)
<b>Operating Profit before Working Capital Changes</b>	<b>(98,150)</b>	<b>(13,892)</b>
<u>Adjusted For :</u>		
Trade and other receivables	3,322	-
Inventories	11,535	-
Loans & Advances	693	(847)
Trade payable and provisions	(92,926)	(77,376)
	26,336	25,489
<b>Cash Generated including From Operations :</b>	<b>(175,526)</b>	<b>11,597</b>
Direct Taxes Paid	-	-
<b>NET CASH FROM OPERATING ACTIVITIES</b>	<b>(175,526)</b>	<b>11,597</b>
<b>B CASH FLOW FROM INVESTING ACTIVITIES</b>		
Increase in Capital and Reserves	-	-
Increase in Fixed Assets	(5,032)	(51)
Sales (Decrease) of Fixed Assets	157,506	2,000
Sale of Investments	-	9,172
Interest Received	688	665
Dividend Received	-	70
	153,162	11,856
<b>NET CASH FLOW FROM INVESTING ACTIVITIES</b>	<b>(22,364)</b>	<b>23,453</b>
<b>C CASH FLOW FROM FINANCING ACTIVITIES</b>		
Loss on sale of Assets	-	-
Payment of short term liabilities	-	(8,205)
Interest Paid	-	(7)
	-	(8,212)
<b>Net Increase in Cash and Cash Equivalents</b>	<b>(22,364)</b>	<b>15,241</b>
<b>Cash and Cash equivalents at the Beginning of the Year</b>	<b>22,781</b>	<b>7,540</b>
<b>Cash and Cash equivalents at the End of the Year</b>	<b>417</b>	<b>22,781</b>
<b>Actual Balance as per Balance Sheet</b>	<b>417</b>	<b>22,781</b>

**Note:**

- The above Cash Flow Statement has been prepared under the indirect method as set out in the AS-3 on Cash Flow Statement issued by the Institute of Chartered Accountants of India
  - Previous Year's figures have been re-arranged / re-grouped wherever necessary
- This Cash Flow Statement referred in our report of even date

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31.03.2012

		Amount Rs. (000's)	
PARTICULARS		CURRENT YEAR	PREVIOUS YEAR
<b>1 SHARE CAPITAL</b>			
<u>Authorized Shares:</u>			
2,00,00,000 Equity Shares of Rs.10/- each		200,000	200,000
10,00,000 Cumulative Preference Shares of Rs.100/- each		100,000	100,000
<b>TOTAL</b>		<b>300,000</b>	<b>300,000</b>
<u>Issued, Subscribed and Paid-up Shares in Nos:</u>			
18963700 Equity Shares of Rupees 10/- each Fully Paid Up		189,637	189,637
(of the above 10,000 shares were allotted as fully paid up pursuant to a contract without payment being received in cash and 8166000 shares were allotted as fully paid Bonus shares by capitalizing General Reserves)			
<u>Add:</u> Shares Forfeited		16,480	16,480
<b>TOTAL</b>		<b>206,117</b>	<b>206,117</b>
<u>Reconciliation of the Shares outstanding at the beginning and at the end of reporting period</u>			
<b>a Equity Shares:</b>		<u>No of shares</u>	<u>No of shares</u>
At the beginning of the period		18,963,700	18,963,700
Issued during the period		-	-
<b>Outstanding at the end of the period</b>		<b>18,963,700</b>	<b>18,963,700</b>
<b>b Preference Shares:</b>			
At the beginning of the period		-	-
Issued during the period		-	-
<b>Outstanding at the end of the period</b>		<b>-</b>	<b>-</b>
<b>LIST OF SHAREHOLDING 5% AND ABOVE</b>			
<u>Sl.No</u>	<u>Name of the Shareholder</u>	<u>No. of Shares held</u>	<u>Percentage</u>
1	Chemo Pharma Laboratories Ltd	5,236,930	27.62%
<b>2 RESERVES AND SURPLUS</b>			
a. Capital Redemption Reserve (As per Last Balance Sheet)		5,814	5,814
b. Securities Premium (As per Last Balance Sheet)		139,330	139,330
c. Securities Premium Forfeited (As per Last Balance Sheet)		32,960	32,960
d. Investment Allowance Reserve (As per Last Balance Sheet)		2,629	2,629
e. Fixed Assets Revaluation Reserve -			
- As per last Balance Sheet	111,276		
<u>Less: Adjustments during the year:</u>			
(a) Transfer to Depreciation Account	895		
(b) Transfer on a/c of Assets disposed	80,942	29,439	111,276
<b>TOTAL</b>		<b>210,172</b>	<b>292,009</b>
<u>Less: Debit Balance of Profit and Loss Account</u>			
- As per last Balance Sheet	359,371		
<u>Add / (Less): Current Year Loss (Profit)</u>	7,888	367,259	359,371
<b>GRAND TOTAL</b>		<b>(157,087)</b>	<b>(67,362)</b>
<b>3 LONG TERM BORROWINGS</b>			
From Related Parties		3,140	-
<b>TOTAL</b>		<b>3,140</b>	<b>-</b>
<b>4 CURRENT LIABILITIES</b>			
i Short Term Borrowings		-	-
ii Other Current Liabilities		20,353	115,222
iii Short Term Provisions		821	1,480
<b>TOTAL</b>		<b>21,174</b>	<b>116,702</b>

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31.03.2012****NOTE - 5****FIXED ASSETS**

Particulars	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As on 01.4.2011	Additions	Deductions	Upto 31.3.2012	As on 01.4.2011	For the year	On Deductions	Upto 31.3.2012	As on 31.3.2012	As on 31.3.2011
<b>a) TANGIBLE ASSETS (OWNED)</b>										
Land (Freehold)	22,632	2,326	-	24,958	-	-	-	-	24,958	22,632
Buildings	158,506	-	104,676	53,830	114,088	1,069	81,295	33,862	19,968	44,418
Plant & Machinery	688,092	-	688,092	-	580,879	-	580,879	-	-	107,213
Furniture & Off Equip	7,194	37	5,000	2,231	6,862	42	4,860	2,044	187	332
Motor Vehicles	11,904	2,669	11,618	2,955	11,738	464	11,453	749	2,206	166
<b>SUB TOTAL</b>	<b>888,328</b>	<b>5,032</b>	<b>809,386</b>	<b>83,974</b>	<b>713,567</b>	<b>1,575</b>	<b>678,487</b>	<b>36,655</b>	<b>47,319</b>	<b>174,761</b>
<b>b) TANGIBLE ASSETS (LEASED)</b>										
<b>SUB TOTAL</b>	-	-	-	-	-	-	-	-	-	-
<b>c) INTANGIBLE ASSETS</b>										
<b>SUB TOTAL</b>	-	-	-	-	-	-	-	-	-	-
<b>GRAND TOTAL</b>	<b>888,328</b>	<b>5,032</b>	<b>809,386</b>	<b>83,974</b>	<b>713,567</b>	<b>1,575</b>	<b>678,487</b>	<b>36,655</b>	<b>47,319</b>	<b>174,761</b>
<b>PREVIOUS YEAR</b>	<b>893,657</b>	<b>51</b>	<b>5,381</b>	<b>888,327</b>	<b>712,344</b>	<b>1,222</b>	<b>-</b>	<b>713,566</b>	<b>174,761</b>	<b>181,313</b>

**Notes:**

- 1 Land, Buildings and Plant and Machinery were revalued as on 31.03.1995 by an approved Chartered Engineer and based have been reinstated as on 01.04.1995 at Rs.6,96,900 as against the book value of Rs. 86,800 resulting in an increase of Rs.6,10,100 on the same, the values -
- 2 The Gross Block as on 31.03.2005 includes an amount of Rs.601,916 on account of revaluation of Fixed Assets.
- 3 The Factory buildings, Plant, machineries and other movables disposed off during the year
- 4 Depreciation is not provided for the assets not put to use during the year

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31.03.2012**

				Amount Rs. (000's)	
PARTICULARS				CURRENT YEAR	PREVIOUS YEAR
<b>6 NON-CURRENT INVESTMENTS (at cost)</b>					
<b>A In Government Security (Unquoted)</b>				-	-
			<b>TOTAL (A)</b>	-	-
<b>B OTHER INVESTMENTS</b>					
<b>i. Shares in Joint Stock Companies - Quoted</b>					
<u>Equity Shares of:</u>	<u>Face Value</u>	<u>No of Shares (Current Yr)</u>	<u>No of Shares (Last Yr)</u>		
BOMBAY OXYGEN CORP. LTD	100	5	5	1	1
			<b>TOTAL (B(i))</b>	1	1
<b>{Aggregate Market Value of Quoted Shares - Rs. 30,750/- (Rs.11,344/-)}</b>					
<b>ii. Shares in Joint Stock Companies - Others :</b>					
<u>Equity Shares of:</u>					
CITRIC INDIA LTD	10	1,673,755	1,673,755	3,766	3,766
PUNJAB ANAND BATTERIES LTD	10	50	50	1	1
GREATER BOMBAY CO-OP BANK LTD	25	100	100	3	3
			<b>TOTAL (B(ii))</b>	3,770	3,770
			<b>GRAND TOTAL (A) + (B)</b>	3,771	3,771
<b>7 LONG TERM LOANS AND AVANCES</b>					
Inter-corporated Deposits				11,200	11,200
Advances to security deposits			4,491		
<u>Less:</u> Provision for Doubtful Debts made			971	3,520	1,073
			<b>TOTAL</b>	14,720	12,273
<b>8 NON-CURRENT ASSETS (at cost)</b>					
<b>a) ADVANCES RECOVERABLE IN CASH OR KIND</b>					
			21,363		
<u>Less:</u> Provision for Doubtful Debts made			15,298	6,065	9,387
			<b>TOTAL (a)</b>	6,065	9,387
<b>b) INVENTORIES</b>					
			<b>TOTAL (b)</b>	-	11,535
<b>c) CASH AND CASH EQUIVALENTS</b>					
Cash in Hand				39	111
With Scheduled Bank Current Accounts				378	22,570
Unclaimed interest				-	100
			<b>TOTAL (c)</b>	417	22,781
			<b>GRAND TOTAL (a) + (b) + (c)</b>	6,482	43,703
<b>9 OTHER INCOME</b>					
Dividend Received				-	70
Interest Received				688	665
Profit on sale of investments				-	4,082
Surplus on Stores disposed				1,014	-
Surplus on Assets disposed				86,638	1,147
Excess Provisions written back				2,603	382
			<b>TOTAL</b>	90,943	6,346

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31.03.2012**

Amount Rs. (000's)

PARTICULARS	CURRENT YEAR	PREVIOUS YEAR
<b>10 EMPLOYEE BENEFIT EXPENSES</b>		
Salaries, wages and bonus	2,795	6,493
Employees Welfare Expenses	650	136
Provident Fund	250	208
E.S.I. Scheme	29	32
Retrenchment Compensation paid	12,106	-
Ex-Gratia Payments	20,811	-
Leave Salary/wages	20	-
<b>TOTAL</b>	<b>36,661</b>	<b>6,869</b>
<b>11 FINANCE COST</b>		
Interest paid (others)	-	7
<b>TOTAL</b>	<b>-</b>	<b>7</b>
<b>12 OTHER EXPENSES</b>		
Rent Paid	656	631
Rates & Taxes	170	233
Repairs & Maintenance - Others	187	628
Addl payments in settlement of creditors	3,335	-
Travelling expenses	2,583	3,090
Motor Car Expenses	156	82
Professional charges	924	679
Directors' Sitting Fees	12	7
Audit Fee	18	18
Electricity charges 905		
Electricity charges - as per addl. demand <u>51,442</u>	<u>52,347</u>	<u>1,123</u>
Bank Charges	120	78
Telephone & Telex charges	99	97
Postage & Courier Expenses	108	38
Stationary & Printing charges	120	38
Annual Listing Fee	45	50
Share Transfer expenses	229	94
Office Maintenance Expenses	151	79
Books, Magazines & periodicals	70	58
Web Designing / Web Regn exp	13	-
Advertisement Charges	5	-
Fixed Assets written off	141	-
<b>TOTAL</b>	<b>61,489</b>	<b>7,023</b>

13. **NOTES TO FINANCIAL STATEMENTS FOR THE YEAR EDED 31.03.2012****SIGNIFICANT ACCOUNTING POLICIES:****a) Basis of Preparation of Financial Statements: -**

The accompanying financial statements for the fiscal period have been prepared under historical cost convention, in compliance with Indian Generally Accepted Accounting Principles ("GAAP") with mandatory and relevant Accounting Standards issued by the Institute of Chartered Accountants of India (ICAI) and in compliance with the provisions of Companies Act, 1956.

**b) Revenue and Expenditure Recognition: -**

Revenue is recognized and expenditure is accounted for on accrual basis.

**c) Fixed Assets: -**

Fixed Assets are stated at cost as increased by revaluation in case of land, building and Plant and Machinery less accumulated depreciation thereon in respect of assets acquired up to 31.03.1995. Fixed assets were revalued as on 31.03.1995. However, the Assets such as Plant and Machinery, Equipments and other old movable assets were disposed off during the year, leaving Land Residential Buildings, Furniture, Motor Car, etc.

**d) Depreciation: -**

Depreciation on fixed assets (including revalued assets) was used to provide at the rates and in the manner specified in Schedule XIV of the Companies Act, 1956 to the extent specified in section 205(2)(b) as per straight line methods in respect of Plant and Machinery and in section 205(2)(a) as per written down value method in respect of other assets. However, during the current year no depreciation has been provided for as there was no manufacturing activity, and, as the entire Plant and Machinery, Factory Plants, and all other old movable assets were disposed off during the year.

Depreciation on Residential Building, Furniture and Fittings, Motor vehicles, etc and addition to and deduction from such assets are provided for on pro-rata basis from/up to the month of addition / deduction.

Additional depreciation representing the difference between depreciation on revalued amount and original cost of the assets like Land has been withdrawn from revaluation reserve.

**e) Retirement benefits: -**

Employer's Contributions to Provident Fund and gratuity are charged as expenditure.

**f) Investments: -**

Long Term Investments made by the Company in shares are valued as per the Accounting Standards issued by The Institute of Chartered Accountants of India. Provision has been made for permanent diminution in the value of Long Term investments.

**g) Inventories: -**

Inventories are valued at lower of cost or estimated net realisable value as certified by the Managing Director of the company. Cost of inventories is computed on a weighted average basis. The value of finished goods and work in progress include cost of conversion and other costs incurred in bringing the inventories to their present location and condition. Proceeds in respect of sale of raw materials or stores will be credited to the respective heads. The closing stock of scrap, waste products such as lime sludge are not valued and shown in the balance sheet as in the opinion of the management these items do not have a ready market.

**h) Sales: -**

Sales include recovery of Excise Duty, Sales tax and shown net of the adjustment against transporting and forwarding expenses incurred.

**i) Excise Duty: -**

Excise duty on finished goods is accounted for at the time of clearance of goods.

**j) Treatment of contingent Liabilities: -**

Contingent liabilities not provided for, are disclosed by way of Notes to accounts with particulars of the nature and quantum, wherever possible, of such liabilities.

**k) Segment Reporting: -**

The Company has carried out no trading activity and hence there is no separate segment as per AS-17 issued by ICAI.



**l) Earnings per Share: -**

The Company reports basic earning per share in accordance with AS-20 for "Earnings per Share" issued by the ICAI. Basic earning per share has been computed by dividing net profit by the weighted average number of equity shares outstanding for the year.

**m) Accounting for taxes on Income: -**

Income tax expense is recognized in accordance with AS-22- "Accounting for Taxes on Income" which includes current taxes and deferred taxes.

Deferred income taxes reflect the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

Deferred tax assets are not recognised in the absence of reasonable/virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be realised.

**14. NOTES FORMING PART OF ACCOUNT:**

**1. Contingent Liabilities:**

DLF Universal Limited (Formerly known as DLF Industries Limited) (here in referred to as DLF) had filed a claim of Rs. 500 Lacs and the matter has been under Arbitration. During 2006-07, the Company had entered into a Memorandum of Understanding with the DLF in the terms of which DLF has agreed to sale/ transfer the machineries to the Company and/or its nominees which are in its possession or to be dispatched by the foreign supplier. The Company has agreed to make payment of Rs. 250 Lacs exclusive of Sales Tax, Freight and Insurance to be borne by the Company for the machineries, which are in possession of DLF. The Company has also agreed to open confirmed Letter of Credit in favour of KONCAR for shipment of the remaining machineries. The Company has made the payment of Rs.50 Lacs to DLF.

DLF has filed Statement of Claim before the Arbitral Forum inter alia for breach of terms of Memorandum of Understanding on the part of the Company. The Company has made a counter claim for financial losses, damages, costs and claims against DLF for non-fulfilment of contractual obligations. The matter is pending for hearing.

**2. Disputed liabilities not provided for:**

- 2.1. ESIC Kerala had made a demand of Rs.9.21 Lacs during 2009-2010 and the same has been stayed by Hon'ble High Court. This has been charged to revenue after adjusting the provision of Rs.2.84 Lacs available in the Books.

**2.2. Disputed power charges to KSEB and arrears:**

After a prolonged discussions and requests with various Authorities, the long pending KSEB arrears was crystallized and the Company has paid Rupees Ten Crores during the year against final settlement. However, thereafter, the Board unilaterally demanded Rs.4,75,58,345/- as further dues, which the Company has challenged before the Hon'ble High Court of Kerala. The Court stayed the same and directed the Government to re-examine and consider the Company's representation for waiver of the MD charges for the period when the Company was closed and no electricity was consumed. The Company is hopeful of a favorable decision and hence this liability is not provided in Books of Account.

**2.3. Central excise Refund**

As per the order of the Asst. Commissioner of Central Excise, Kottayam Division, Kottayam dated 23.12.1998 holding that Calcium Carbide manufactured and used captive consumption in the manufacture of acetylene black within the factory is not liable for levy of excise duty, the company is entitled to a refund of excise duty of Rs.82,89,691/- in respect of the period from April 1978 to July, 1983.

This was confirmed by the Hon'ble CEGAT, New Delhi as per the order No.A/1076/02 NB (D) dated 24.10.2002. Based on the above order the company filed a refund claim for Rs.82,86,691/- before the Deputy Commissioner of Central Excise, Kottayam Division on 30.01.2003. However the Deputy Commissioner allowed only Rs.37,99,198/- as refund and the same was recognized as income in the Profit & Loss account in the year 2002-2003. The claim for the balance amount of Rs.44,86,993/- was rejected by the Excise authorities for want of proof for payment of duty.

Against this order the company had filed an appeal before the Commissioner of Central Excise and Customs (Appeals) Cochin on 22-10-2003 and the appeal was disposed of in favour of the Company.

The Department has gone in Appeal. In view of the above, the claim for the refund of the balance amount of Rs. 44,86,993/- has not been recognized in the accounts. Company has also filed appeal before CEGAT, New Delhi for release of balance amount, which is pending for disposal.

**3. Managerial Remuneration:**

Paid to Shri. S. B. Somani, Chairman and Managing Director:

Particulars	Amount (In Rupees)
Salary	7,20,000 (7,30,000)
Perquisites	4,32,000 (4,32,000)
Contribution to Provident Fund	86,400 (87,600)
Total	12,38,400 (12,49,600)

**3.1 Computation of loss in accordance with Section 349 of the Companies Act, 56:**

(Rs. in '000)

March 31 <sup>st</sup> of ->	2012	2011
Profit (Loss) as per Profit and Loss Account	(7,888)	(7,816)
Less: i. Depreciation charged to A/c's	(681)	(985)
ii. Directors Sitting fees	(12)	(7)
iii. Remuneration to MD	(1,238)	(1,250)
Business Profit (Loss)	(5,957)	(7,544)
Less /Add: Depreciation as per Section 350		
Total Profit for the year		
Add: C/f (Losses) from earlier years	(4,07,390)	(4,11,764)
(Losses) under section 198		

**4. Contingent Liabilities:**

During the year the Company has made payment of statutory dues, retrenchment compensation etc. amounting to Rs.473.41 Lakhs in aggregate to the remaining 261 employees of the Company who have submitted their resignation pursuant to a settlement agreement signed between the Company and the Trade Unions in the presence of Labour Commissioner, Trivandrum. Consequent upon this, the entire labour issues / industrial disputes stand settled once for all.

**5. Due to Small Scale Industrial undertakings.**

On verification of invoices issued by the suppliers of the company there is no Small Scale industry as defined under the Interest on Delayed Payments of Small Scale and Ancillary Industrial Undertaking Act, 1933 and section 3(i) of the Industrial (Development and Regulation) Act, 1951, having total amount outstanding exceeding Rs.1,00,000 to each unit.

**6. Loans and Advances** include amount of Rs.31,40,000/- (Rs. Nil) dues to Associate Concern.**7. Fixed Assets.**

During the financial year, the entire Plants and Machineries, equipments and other old movables at Chingavanam (Dist - Kottayam) were disposed off.

**8. Current Assets****8.1.** As the Company has been under Lock -out since July 1999, dues under the heads Sundry Debtors, Loans and Advances and Current Liabilities including Sundry Creditors are subject to confirmation.**8.2.** Sundry Debtors include an amount of Rs.1,35,31,446/- (Rs.1,35,31,446/-) due for a period exceeding three years against which full Provision of Rs.1,35,31,446/- has been made towards Doubtful Debts. The Company has filed suits before different judicial authorities against certain debtors for recovery of dues amounting to Rs.42,91,787/- (Rs.42,91,787/-).

Against some of these suits decrees were awarded in favour of the Company for an amount of Rs.23,11,610/- (Rs.23,11,610/-), which are in process of execution.

**8.3.** Advance against purchases include an amount of Rs.8,36,990/- (Rs.836990/-) due for a period exceeding three years for which provision for doubtful advance has been made.**Fundamental accounting assumption regarding Going Concern.****9.** As pending issues inter-alia resumption of power supply, grant of Financial Assistance and other incentives from State Government and other concerned Authorities remain unresolved, the chances of early resumption of manufacturing activities of viable plants receded. The Company has disposed off its Factory buildings, Plant and machineries etc., at Chingavanam during the year. The above conditions indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern.

**Quantitative Details**

10. Information pursuant to Para 3, 4C and 4D of Schedule VI, Part II to the Companies Act, 1956 are given below

Particulars	Calcium Carbide	Ferro Silicon	Acetylene Black	D.S. Compound	Others	Duties and Taxes recovered
Licensed Capacity (MT)	40,000	7,500	1,000	10,000	-	-
Installed Capacity (M.T.)	Nil (30,000)	Nil (7,500)	Nil (2,000)	Nil (10,000)	-	-
Opening stock Qty (M.T.)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	-	-
Amount (Rs.)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	-	-
Production Qty.(M.T.)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	-	-
Turnover Qty. (M. T.)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)
Value in Rs.'000)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)
Closing Stock Qty. (M.T.)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)
Amount in Rs.	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)

**Traded Goods -****A. CHEMICALS**

Opening Stock  
Purchases  
Sales  
Closing Stock

QUANTITY. (KG.)	VALUE (Rs. in '000)
Nil (Nil)	Nil (Nil)
Nil (Nil)	Nil (Nil)
Nil (Nil)	Nil (Nil)
Nil (Nil)	Nil (Nil)

**11. Raw Materials Consumed**

11.1. Percentage of consumption of indigenous / imported raw -  
Materials, packing materials, spare parts and components

**12. Expenditure in Foreign Currency****13. CIF value of Imports - Raw materials / Spares / Capital goods****14. Capital Commitments**

Estimated amount of contracts remaining to be executed on capital accounts Rs.86,64,839/- (Rs. 86,64,839/-).

15. The Companies in which the Directors are associated have filed the Annual Returns and did not make any default in the repayment of deposits if any fallen out. On the basis of representations received from the Directors, none of the Directors attract disqualifications under section 274(1)(g) of the Companies Act, 1956.

16. The Company had no full time Company Secretary as required u/s 383A of the Companies Act, 1956 during the year under report due to layoff / lock out.

**17. Others**

17.1. Basic earning per Equity Share and Diluted earning per Equity Share have been computed by dividing net profit by the weighted average number of equity shares outstanding for the year.

17.2. Calculation of basic Earnings per share

Sl. No.	Particulars	Equivalent number of shares for the year	
		2011-2012	2010-2011
1	Opening No of Shares	1,89,63,700	1,89,63,700
2	Total Shares Outstanding	1,89,63,700	1,89,63,700
3	Profit after Taxes in Rs. (000)	(7,888)	(7,816)
4	Nominal value of Shares	Rs. 10.00	Rs. 10.00
5	Earning per Share	( 0.02 )	( 0.02 )

- 17.3. Disclosure of transactions with Related parties, as required by Accounting Standard 18 as defined under clause 3 of the Accounting Standard have been identified on the basis of representations made by key managerial personnel and information available with the Company.

**Relationship Entities where control exist**

Nil

**I. Associate and Group Companies**

Citric India Limited  
Chemo Pharma Labs Limited  
India Energen Limited

**II. Key Management Personnel:**

Shri. S B Somani, Chairman & Managing Director

**Related Party Transactions**

<i>Transactions</i>	<i>Associates and Group Co. Rs.</i>	<i>Key Management Personnel / Rs.</i>	<i>Total Rs.</i>
Finance Provided including loans given	1,17,75,413	-	1,17,75,413
Amount received	31,40,000	-	31,40,000
Outstanding Balance receivable	86,35,413	-	86,35,413
Outstanding Balance payable	-	28,886	28,886
Remuneration paid including perquisites	-	12,38,400	12,38,400

- 17.4. The Sundry Debtors, Sundry Creditors and Loans and Advances are subject to confirmation, reconciliation, and adjustments. The Management is of the opinion that such reconciliation or adjustments if any will not materially affect the accounts.
- 17.5. Traveling Expenses include foreign travel expenses of Directors, which are incurred for purposes other than business.
- 17.6. In view of the accumulated losses, the Management has not provided deferred tax assets as well as deferred tax liabilities. Hence the disclosure in respect of accounting of taxes on income as required under Accounting Standard 22 issued by ICAI is not done.
- 17.7. Figures are given in thousands unless otherwise stated
- 17.8. Figures for the previous year have been regrouped / rearranged wherever necessary and are given in bracket unless otherwise specified.
- 17.9. The Financial statements for the year ended 31.03.2011 had been prepared as per the then applicable pre-revised Schedule VI of the Companies Act, 1956. Consequent to the notification of Revised Schedule VI under the Companies Act, 1956, the Financial Statements for the year ended 31.03.2012 are prepared as per revised Schedule VI. Accordingly, the previous year figures have also been re-classified to conform to this year's classification. The adoption of Revised Schedule VI for previous year figures does not impact recognition and measurement principles followed for preparation of financial statements.

As per attached report of even date

For and behalf of Board of Directors

For VMD & Co.  
CHARTERED ACCOUNTANTS  
FRN: 125002W

sd/-  
S. B. SOMANI  
CHAIRMAN & MANAGING DIRECTOR

sd/-  
VIJAY KUMAR DESAI  
Membership No. F/9219  
No. A/01/0612  
Place: Mumbai  
Date: 22<sup>nd</sup> JUNE, 2012

sd/-  
G. K. JOSHI  
DIRECTOR

**TECIL CHEMICALS & HYDRO POWER LTD.**  
**Regd. Office : Chingavaram P.O. Dist. Kottayam, Kerala - 686 531.**

### PROXY FORM

I/We of \_\_\_\_\_  
 In the district of \_\_\_\_\_ being a member/members of the  
 above named Company hereby appoint \_\_\_\_\_  
 of \_\_\_\_\_ in the district of \_\_\_\_\_  
 or failing him \_\_\_\_\_ of \_\_\_\_\_  
 in the district of \_\_\_\_\_  
 as my/our proxy to vote for me/us on my/our behalf at the 67<sup>th</sup> Annual General Meeting  
 of the Company to be held on 27<sup>th</sup> September, 2012 at 11.00 A.M. and / or at any  
 adjournment thereof.

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2012

Signature

Affix  
 Re.1.00  
 Revenue  
 Stamp

Note: The form duly completed and signed must be deposited at the Registered Office of  
 the Company not less than 48 hours before the meeting.

-----TEAR HERE-----

**TECIL CHEMICALS & HYDRO POWER LTD.**  
**Regd. Office : Chingavaram P.O. Dist. Kottayam, Kerala - 686 531.**

### ATTENDANCE SLIP

TO BE HANDED OVER AT THE ENTRANCE OF THE MEETING HALL

Full name of the member \_\_\_\_\_

Full name of the First Joint Holder \_\_\_\_\_

(To be filled in if first named joint holder does not attend the meeting)

Name of Proxy \_\_\_\_\_

(To be filled in if Proxy Form has been duly deposited with the Company)

I, hereby record my presence at Annual General Meeting of the Company held at the  
 Registered Office of the Company on 27<sup>th</sup> September, 2012 at 11.00 A.M.

Registered Folio No.-----

No. of Shares held -----

Member's/Proxy's Signature  
 (To be signed at the time of handing over the slip)

If undelivered please return to :  
**TECIL CHEMICALS & HYDRO POWER LTD.**  
P.O. Chingavanam – 686 531  
Dist. Kottayam (Kerala)